



NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

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FOR IMMEDIATE RELEASE

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THERE'S A NEW LINE ON YOUR INCOME TAX RETURN

Did you know that you could owe California use tax on items you purchased out-of-state or from sellers located out-of-state? It's true! If you purchased an item out-of-state or from sellers located outside California and the seller did not charge California's sales or use tax, you probably owe use tax on the purchase.

For example, if you purchased a camera for use in California over the Internet (or by catalog, mail order, or telephone) from a retailer located outside the state and you didn't pay California sales or use tax to the seller, you owe use tax on your purchase. Generally, you only owe use tax on those items for which you would have paid sales tax had you purchased them from a seller in California.

The easiest way to report use tax is by using the new *Use Tax* line on your California Income Tax Return. This line allows you to report use tax on purchases made during the tax year on your income tax return instead of filing a separate use tax return with the Board of Equalization.

"Legislation passed last year authorized use tax reporting on personal income tax returns, stated Board Member John Chiang. I want to ensure that all Californians are aware of this change and know that this convenience is available to them."

If you have any questions regarding California's use tax, please check out our Frequently Asked Questions at <http://www.boe.ca.gov/> or contact the state Board of Equalization's Information Center at 1-800-400-7115, Monday through Friday, 8:00 a.m. to 5:00 p.m. Pacific Standard Time.

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